



DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

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COMMISSIONER

March 9, 2006

VIA EMAIL AND USPS

Bruce P. Beausejour, Esq. General Counsel 185 Franklin Street, 13th Floor Boston MA 02110

RE:

Investigation by the Department of Telecommunications and Energy on its own motion as to the propriety of the rates and charges set forth in the following tariff: M.D.T.E. No. 10, filed on February 3, 2006, to become effective March 5, 2006, by Verizon New England, Inc., d/b/a/ Verizon-Massachusetts, D.T.E. 06-26

Dear Attorney Beausejour:

Enclosed please find the first set of information requests issued by the Department of Telecommunications and Energy in the above-captioned matter. Please submit responses to the Department in hard copy and by email on or before 5:00 p.m., on Monday, March 20, 2006. If you have any questions regarding the information requests, please contact me at 617-305-3561.

Sincerely,

/s/ Carol M. Pieper Hearing Officer

Encs.

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO VERIZON-MASSACHUSETTS, D.T.E. 06-26

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy ("Department") submits to Verizon New England, Inc., d/b/a Verizon-Massachusetts ("Verizon") the following Information Requests.

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department in this proceeding.

- 1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
- 2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
- 3. These requests shall be deemed continuing so as to require further supplemental responses if Verizon or its witnesses receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
- 4. The term "provide complete and detailed documentation" means:
 - Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
- 5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
- 6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
- 7. Please serve a copy of the responses as follows: (a) one original to Mary L. Cottrell, Secretary of the Department; and (b) four copies to Carol Pieper, Hearing Officer.

Requests

- Please provide a list of other states where Verizon operates that have implemented late payment charges for residential customers. For each state imposing a late charge, include 1) the amount of the late charge, 2) how a delinquent customer is defined, 3) the number of days a customer may be late before the late charge is levied, and 4) a comparison between the interest rate (or equivalent means of comparison) for residential late payment charges and business late payment charges.
- DTE-1-2 Please state whether Verizon intends to exempt any residential customers from imposition of the late payment charge. If so, provide a description of those customers.
- Please state whether Verizon intends to impose late payment charges on Lifeline and protected (<u>i.e.</u>, seriously ill, elderly, personal emergency) customers, and if so, the reasons for not excluding those customer groups from the late payment charge.
- Please state the percentage of delinquent customers (<u>i.e.</u>, customers who do not pay their bills within 30 days of receipt of the bill) who are Lifeline and protected customers, respectively. Also state the actual number of Lifeline and protected customers, respectively, that do not pay their bills on time, on a monthly basis, from January 2005 to present.
- DTE 1-5 Please state what impact, including financial impact, if any, an exclusion from the late payment charge for Lifeline and protected customers would have on Verizon.
- Please quantify the increase in total charges that application of the late payment charge would have on Lifeline and protected customers, assuming those customers did not pay their bills for one month, three months, six months, and one year. For purposes of this hypothetical, assume that both groups of customers subscribed only to basic exchange service.
- DTE 1-7 Please explain in detail why Verizon's proposed late payment charge to residential customers is higher than the current late payment charge for business customers.
- DTE 1-8 Please state whether Verizon would consider voluntarily lowering the residential late payment charge to be consistent with the business late payment charge.
- DTE 1-9 Please explain why Verizon decided to introduce this charge now.

The proposed tariff language states that a customer will be given 30 calendar days from the date of receipt of the bill to make payment in full. However, the proposed tariff language also states that the late payment charge will apply if payment is not received by the customer's next billing date. Please provide revised tariff language to clarify that no late payment charge will be imposed until the next billing that occurs after the customer has become delinquent.